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## TESTIMONY OF AAA BEFORE THE HOUSE SUBCOMMITTEE ON THE FEDERAL WORKFORCE AND AGENCY ORGANIZATION

## "MITIGATING THE IMPACT OF HIGH GAS PRICES ON THE AMERICAN WORKFORCE"

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Good afternoon, Mr. Chairman. My name is Thomas F. Calcagni, and I am the Managing Director of Public Affairs at the American Automobile Association. AAA appreciates your invitation to appear before the Subcommittee on the Federal Workforce and Agency Organization to examine how gas prices have affected American workers.

The rapid rise in gasoline prices this year has had an impact on everyone, from people commuting to work to families planning vacations; from businesses dependent upon vehicle fleets to truckers moving goods across the nation.

Part of the focus of today's hearing is to understand whether the Federal government is doing enough to promote programs that could encourage workers to use alternative methods of commuting other than personal vehicles and other means of working, such as telecommuting. AAA commends the Subcommittee for exploring these potential means of creating less dependency on gasoline for commuting.

AAA strongly supports public transportation, and many of our AAA clubs nationwide encourage more use of public transit among the many tips for our members to conserve fuel. In AAA's Washington, D.C. office, almost half of our employees use public transportation to get to and from work.

However, the fact remains that most people commute to work using a personal vehicle. According to the "Daily Travel Quick Facts" from the Bureau of Transportation Statistics, 91 percent of people commuting to work use personal vehicles. (The data are based upon the National Household Travel Survey, 2001-2002 – the most recent information available.)

The BTS data also portray a scenario of daily travel that may help to provide some clues as to how individual Americans can take more control over their gasoline consumption:

- Americans take 1.1 billion trips a day four for every person in the U.S.
- U.S. daily travel averages 11 billion miles a day almost 40 miles per person per day
- 45 percent of daily trips are taken for shopping and errands
- 27 percent of daily trips are social and recreational, such as visiting a friend
- 15 percent of daily trips are taken for commuting
- More daily trips are taken between noon and 1 p.m. (7.4 percent) than between 8 a.m. 9 a.m. (5.5%)

The startling fact is that only 15 percent of daily trips are for commuting. Much of the other travel is what could be considered discretionary -- travel that consumers could approach in a more gasoline-efficient manner.

There is evidence that Americans are beginning to realize that they can exercise more control over the impact high gas prices have on their daily lives. A recent scientifically valid survey conducted by AAA of Northern California examined drivers' attitudes about reliance on gasoline and explored possible solutions. Some findings:

- 83 percent of AAA of Northern California members said it is important for American drivers to reduce their reliance on gasoline and right now they don't think anyone out there is doing enough to help make this happen.
- Although those surveyed blamed oil companies and the federal government for not doing enough to reduce gasoline dependence, as well as car companies for being too slow to develop and sell hybrids, 81 percent of members agreed they could be doing more.
- A large majority believed U.S. energy policy and the development of alternative fuels is lagging and 68 percent believe not enough has been done to raise mileage requirements for all types of passenger vehicles.
- Commuters feel the most constrained they would like to drive less, but feel they can't.
- People driving for personal or family-related reasons have a little more flexibility, with 25 percent saying they have already cut back on driving. Most are reducing their driving by consolidating trips (73 percent) and driving their most fuel efficient vehicle (65 percent). Thirty-nine percent say they are walking more, and about one in three people are choosing to carpool, take public transit, bike or telecommute.

AAA of Northern California believes the survey demonstrates a real craving for information on how to rely less on gasoline. The club has just launched the "Greenlight Initiative" TM which is intended to help motorists make sense of all the new options available in alternative fuels and vehicles and encourage the development of transportation choices.

Other AAA clubs across the nation are taking steps to encourage conservation. For example, AAA East Tennessee is encouraging its road service suppliers to use lighter vehicles when responding to calls. They provide suppliers analyses of road service calls that demonstrate that most calls can be run more efficiently with light trucks. That club also includes the following sentence in each of its weekly Fuel Gauge Reports to the media: "Drivers should make sure their cars are in good shape, take public transit where possible, and combine trips to reduce gasoline use."

AAA Southern New England is represented on the Rhode Island Transportation Advisory Council and has long supported the Rhode Island Public Transit Authority efforts to promote mass transit in Rhode Island as part of a balanced transportation system for the state. The club recently ran a feature story on behalf of RIPTA in its publication for members, *AAA Horizons*, promoting mass transit and carpooling as ways to manage record-high gasoline prices.

AAA Mid-Atlantic operates and sponsors two commuting employee van pools in conjunction with the Transportation Management Association of Delaware. TMA Delaware is a non-profit organization that administers a statewide ride match service. In addition to the van pools, AAA MidAtlantic also offers employees a pre-tax commute benefit.

AAA clubs also encourage their members to explore ways to reduce gasoline consumption, including using public transportation when feasible, driving more fuel efficient cars, maintaining their cars, and changing their driving behavior.

Tips on how to lessen gasoline consumption in all these areas can be found in the AAA Gas Watcher's Guide, which is available to AAA members and the public in brochure format or on the AAA Exchange (aaa.com/publicaffairs) in its "On the Road" section. The information contained in the Gas Watcher's Guide, while common sense, really can make a difference in conserving fuel and reducing the economic strain from high gas prices.

Besides the information in the *Gas Watcher's Guide*, AAA also maintains three Web sites devoted to fuel information and many AAA clubs link to these sites from www.aaa.com:

- Perhaps the best known site, AAA's Daily Fuel Gauge Report has been in operation since 2000. The site is designed to help the media and local AAA clubs track the rising or falling cost of fuel at the national, state and local level each day for use in news reports. It averages prices paid at more than 80,000 gas stations across the nation and posts national, state and local averages for each of the major grades of gasoline. Over time the AAA Fuel Gauge Report site also has become well-known to consumers. In August 2005, when fuel prices began moving toward \$3 per gallon, hits to this site increased 231 percent over the previous month.
- Launched in 2004, the AAA Fuel Cost Calculator helps users understand and budget for the amount of fuel they are likely to use on a long-distance trip. After entering destination and origination points, as well as information about the vehicle being driven, the AAA Fuel Cost Calculator uses prices collected for the AAA Daily Fuel Gauge Report to calculate the cost of fuel for the trip, the miles that will be driven and the amount of fuel that will be needed. Visits to this site typically average about 20,000 per day. However, in one day just prior to the busy Labor Day holiday weekend earlier this year, the site recorded more than 196,000 visits. The site not only helps users project the approximate cost of fuel as a component in a driving

- vacation budget, it also helps calculate the savings potential in driving a more fuel-efficient vehicle or in driving shorter distances. It is also useful for those who drive long distances for business and anyone who needs to budget for fuel costs.
- In 2005, individual AAA clubs launched the AAA Fuel Price Finder on <a href="www.aaa.com">www.aaa.com</a>. This tool allows users to find stations that have been selling the least expensive gasoline in a three-, five-, or ten-mile radius of any location in the U.S. While not available on all club Web sites, the tool is accessible to about 53 percent of AAA's 48 million members. In August, this site recorded more than 1.1 million visits.

Mr. Chairman, as I noted earlier, exploring ways to change commuting behavior to conserve gasoline is important, and AAA commends the Subcommittee for its interest in this area. We also believe that while more flexible options for commuting are possible, changing driving behaviors and decisions relating to all transportation trips have a great potential to reduce reliance on gasoline. Choices in how we drive and what we drive, maintaining our vehicles, planning our driving chores every trip, every time – all of these things can reduce gasoline consumption.

Moreover, as AAA has stated previously in testimony to Congress, this nation needs a thoughtful energy policy that not only addresses supply issues but also encourages actions and policies that help to encourage conservation. We need to explore impediments to gasoline supply, such as reducing the number of specialty fuel blends without compromising clean air goals, and the need for more fuel efficient vehicles and alternative fuels. We need to explore the reasons for gasoline supply problems and develop better plans to meet fuel supply interruptions.

Again, Mr. Chairman, AAA appreciates this opportunity to share our views on this important issue with the Subcommittee.